

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: December 8-9, 2004

Reference No.: 3.10
Information Item

From: CINDY MCKIM
Acting Chief Financial Officer

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Local Assistance

Ref: **LOCAL ASSISTANCE QUARTERLY LUMP SUM ALLOCATION STATUS REPORT
FOR FISCAL YEAR 2004-05**

SUMMARY:

In June 2004, the California Transportation Commission (Commission) passed Resolution FM-03-10, allocating \$775 million for the Local Assistance Program for FY 2004-05. The initial allocation request was for \$1.1 billion.

The Commission reduced the initial allocation request of \$1.1 billion down to \$775 million, pending the final close-out report for FY 2003-04 including prior year expenditure comparison by category (request to allocate the remaining \$361 million will be presented on a separate book item at the January 2005 meeting).

The total allocation for Local Assistance subvention funds is approximately \$754 million. Of this amount, approximately \$74 million are state funds and \$680 million are federal funds.

As of September 30, 2004, \$49.5 million or 7 percent of the \$754 million of Local Assistance subvention funds allocated has been expended. These funds were allocated for 27 local projects. The majority of these expenditures, including FTA transfers, are for:

Surface Transportation Program – 4 projects, \$16.9 million
Congestion Mitigation & Air Quality Program (CMAQ) – 13 projects, \$26.4 million
Miscellaneous – 2 projects, \$937,000

The remaining eight projects are in other categories and account for 1 percent of the expenditures reported.

BACKGROUND:

The Local Assistance Program administers the local assistance subvention budget under delegated authority from the Commission. The Commission provides an annual lump sum allocation consistent with the Budget Act. The Commission further delegates to the Department the authority to adjust allocations for Local Assistance, and the Department reports to the Commission if transfers in or out of an expenditure category exceed 10 percent of its allocation.

Local Assistance Lump Sum Allocation Status for the Fiscal Year (FY) 2004-2005:

As of September 30, 2004, \$49.5 million or 7 percent of the \$754 million of Local Assistance funds allocated has been expended.

Consistent with prior years, the allocation for Demonstration Projects is zero since specific projects expected to receive funds during this fiscal year are not known. This category is included in the allocation to allow the Department to make allocations using excess funds from other categories and prevent allocation delays for demonstration projects. The Transportation Enhancement Activities-Regional Program projects will be allocated under the State Transportation Improvement Program and is not included in the lump sum allocation.

The delivery to date for FY 2004-05 (\$49.5 million or 7 percent of the funds allocated) is lower compared to the same period last year (\$84.8 million or 8.7 of the funds allocated). Lower expenditure trends are typical at the beginning of each fiscal year. Delays in the authorization of the State Budget Act, Federal Appropriation Act, the passage of the new Federal Transportation Act and the limited obligation authority (OA), provided through continuous resolution by the Federal Highway Administration, have contributed to the slower use of the allocated funds. It is anticipated that all funds allocated will be used consistently with prior fiscal year trends.

Attachment

LOCAL ASSISTANCE FUNDS
FY 2004-05
(As of September 30, 2004)

Reference 3.10
Attachment

(Dollars in 1,000)

Fund Description	CTC Allocation			Total Expenditures			Allocation Balance			Percent of Allocation Expended	Number of Projects
	State	Federal	Total	State	Federal	Total	State	Federal	Total	Total	Total
Surface Transportation Pgrm (STP)		245,764	245,764	0	0	0	0	245,764	245,764	0%	0
STP State Match and Exchange	46,000		46,000	317	0	317	45,683	0	45,683	1%	1
Congestion Mitigation & Air Qual Pgrm (CMAQ)		268,397	268,397	0	0	0	0	268,397	268,397	0%	0
Bridge Scour & State Match	735	1,725	2,460	0	0	0	735	1,725	2,460	0%	0
Highway Bridge Rehabilitation & Replacement (HBRR)		85,086	85,086	0	0	0	0	85,086	85,086	0%	0
Bridge - Seismic Retrofit	0	44,344	44,344	0	0	0	0	44,344	44,344	0%	0
RR Grade Crossing Protection		8,310	8,310	0	109	109	0	8,201	8,201	1%	5
RR Grade Crossing Maintenance	4,250		4,250	4,250	0	4,250	0	0	0	100%	1
Railroad Grade Separations	15,000		15,000	554	0	554	14,446	0	14,446	4%	1
Hazard Elimination & Safety (HES)		8,310	8,310	0	0	0	0	8,310	8,310	0%	0
Safe Routes to School	0	16,619	16,619	0	0	0	0	16,619	16,619	0%	0
Transportation Enhancement Activities Exchange	6,440		6,440	0	0	0	6,440	0	6,440	0%	0
Demonstration Projects		0	0	0	0	0	0	0	0	0%	0
Miscellaneous	2,000	1,062	3,062	937	0	937	1,063	1,062	2,125	31%	2
Total Local Assistance Subvented Funds	74,425	679,617	754,042	6,058	109	6,167	68,367	679,508	747,875	1%	10
FTA Transfers	0	0	0		43,361	43,361			0		17
Total Local Assistance including FTA Transfers	74,425	679,617	754,042	6,058	43,470	49,528	68,367	679,508	747,875	7%	27

Assumptions:

- ☐ The amounts do not include Freeway Service Patrol or Bay Area Ferry Operations.
- ☐ FTA Transfers are \$16,904,000 for RSTP and \$26,457,580 for CMAQ.
- ☐ Misc. expenditures include projects not included elsewhere.
- ☐ Balances are based on allocation requests.
- ☐ The Allocation Balance is the difference between Commission Allocation and Total Expenditures.
- ☐ Expenditures and Number of Projects is from LP2000 report.
- ☐ Allocation Amount reflects a reduction of \$360,723 per June 2004 Commission meeting.